

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:3539
ANSWERED ON:17.04.2000
PRODUCTION COST OF LPG CYLINDER
CHANDRA BHUSHAN SINGH

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the production cost of a 14.2 kg L.P.G. cylinder, including freight charges, commission to distributors, etc., as on date, company-wise;
- (b) whether the oil companies have been advised to reduce the cost of production of L.P.G. cylinders; and
- (b) if so, the steps taken by the oil companies in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI SANTOSH KUMAR GANGWAR)

(a) Production cost of petroleum products including LPG would vary from refinery to refinery depending upon the cost of crude oil, processing charges, Marketing Cost, filling charges, freight, distributors, commission, taxes, other duties etc. However, oil companies are paid import parity price for LPG uplifted in bulk. The weighted average price which is called the tariff adjusted import parity refinery gate price for the month of April, 2000 has been provisionally fixed at Rs.16106.68/MT.

(b) & (c): The process of cost reduction measures is a continuous one. Measures have been taken by the Oil Companies to reduce the production cost of petroleum products including LPG such as refining, marketing and filling cost including optional logistical planning of transportation, strict control on operating losses etc.